GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4103
ANSWERED ON:09.12.2016
Public Financial Management System
Kalvakuntla Smt. Kavitha

Will the Minister of FINANCE be pleased to state:

a) whether the Government has approved the rollout of the Public Finance Management System (PFMS) for the monitoring of the Central Government Schemes;

b) if so, the details thereof;

c) whether the said system has been implemented after consultation with the States/UTs, if so, the details thereof; and

d) the extent to which the said mechanism is likely to improve the last, mile delivery to the beneficiaries under several schemes to States/UTs?

Answer

MINISTER OF STATE (FINANCE)
(SHRI ARJUN RAM MEGHWAL)

(a) & (b) : Yes Sir,

To implement Just-In-Time release of funds and monitor the end usage of funds, it has been decided to universalize the use of PFMS to cover all transaction/payments under the Central Sector Schemes. Necessary instructions for implementation have been conveyed to administrative Ministries/ Departments.

(c) : The system has been developed after holding extensive consultation with State Governments and pilot studies of system for schemes such as SSA, NRHM, MGNREGS and PMGSY etc. in some States.

(d) : The scheme has twin objectives of
(i) Just-In-Time release of funds; and
(ii) Complete monitoring of usage of funds upto the end beneficiaries including information on end use of funds.

After implementation of the scheme, monitoring of utilization of funds under various schemes will improve significantly.